

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3873
OFFERED BY MR. CASTLE

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the the “Child Nutrition
3 Improvement and Integrity Act”.

4 SEC. 2. TABLE OF CONTENTS.

5 The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of Contents.

TITLE I—ENSURING ACCESS TO CHILD NUTRITION PROGRAMS

Sec. 101. Exclusion of military housing allowances.

Sec. 102. Homeless children and runaway youth eligibility.

Sec. 103. Eligibility for severe need assistance.

Sec. 104. Reauthorization of Summer food programs.

Sec. 105. Child and adult care food program.

Sec. 106. Review of best practices in the breakfast program.

TITLE II—IMPROVING PROGRAM QUALITY AND INTEGRITY

Sec. 201. Eligibility and Certification for Free and Reduced Price Lunches.

Sec. 202. Duration of eligibility for free and reduced price lunches.

Sec. 203. Certification by local educational agencies.

Sec. 204. Compliance and accountability.

Sec. 205. Technology Improvement.

Sec. 206. Minimum State Administrative Expense Grants.

Sec. 207. District-wide eligibility for special assistance.

Sec. 208. Administrative error reduction.

**TITLE III—PROMOTING NUTRITION QUALITY AND PREVENTING
CHILDHOOD OBESITY**

Sec. 301. Local school wellness policy.

Sec. 302. Supporting Nutrition Education, Improving Meal Quality, and Access
to Local Foods.



- Sec. 303. Fruits and vegetable commodities.
- Sec. 304. Fluid milk.
- Sec. 305. Waiver of requirements for weighted averages for nutrient analysis.
- Sec. 306. Whole grains.

TITLE IV—IMPROVING THE WOMEN, INFANTS, AND CHILDREN PROGRAM

- Sec. 401. Definition of nutrition education.
- Sec. 402. Definition of supplemental foods.
- Sec. 403. Improving certification.
- Sec. 404. Reviews of available supplemental foods.
- Sec. 405. Notification of violations and infant formula benefits.
- Sec. 406. Healthy People 2010 initiative.
- Sec. 407. Competitive bidding.
- Sec. 408. Fruit and vegetable projects.
- Sec. 409. Management information systems.
- Sec. 410. Infant formula fraud prevention.
- Sec. 411. State alliances.
- Sec. 412. Limits on expenditures.
- Sec. 413. Migrant and community health centers initiative.
- Sec. 414. Demonstration projects.
- Sec. 415. Authorization of appropriations.

TITLE V—REAUTHORIZATION, MISCELLANEOUS PROVISIONS, AND EFFECTIVE DATE

- Sec. 501. Training, Technical, and Other Assistance.
- Sec. 502. Notice of irradiated food.
- Sec. 503. Sense of Congress.
- Sec. 504. Reauthorization of programs.
- Sec. 505. Effective dates.

1 TITLE I—ENSURING ACCESS TO

2 CHILD NUTRITION PROGRAMS

3 SEC. 101. EXCLUSION OF MILITARY HOUSING ALLOW-

4 ANCES.

5 Section 9(b)(7) of the Richard B. Russell National
6 School Lunch Act (42 U.S.C. 1758(b)) is amended by
7 striking “For each of fiscal years 2002” and all that fol-
8 lows through “the amount” and inserting “The amount”.



1 **SEC. 102. HOMELESS CHILDREN, RUNAWAY YOUTH, AND MI-**
2 **GRATORY CHILD ELIGIBILITY.**

3 (a) IN GENERAL.—Section 9(b)(6)(A) of the Richard
4 B. Russell National School Lunch Act (42 U.S.C.
5 1758(b)(6)(A)) is amended—

6 (1) in clause (ii), by striking “or”;

7 (2) in clause (iii), by striking the period and in-
8 serting a semicolon; and

9 (3) by inserting after clause (iii) the following:

10 “(iv) a homeless child or youth (as de-
11 fined in section 725(2) of the McKinney-
12 Vento Homeless Assistance Act (42 U.S.C.
13 11434a));

14 “(v) a youth served by programs
15 under the Runaway and Homeless Youth
16 Act (42 U.S.C. 5701 et seq.); or

17 “(vi) a migratory child, as such term
18 is defined in section 1309(2) of the Ele-
19 mentary and Secondary Education Act of
20 1965 (20 U.S.C. 6399(2)).”.

21 (b) DOCUMENTATION.—Section 9(d)(2) of the Rich-
22 ard B. Russell National School Lunch Act (42 U.S.C.
23 1758(d)(2)) is amended—

24 (1) in subparagraph (B), by striking “or”;

25 (2) in sub paragraph (C), by striking the period
26 at the end and inserting a semicolon; and



1 (3) by inserting after subparagraph (C) the fol-
2 lowing:

3 “(D) documentation has been provided to
4 the appropriate local educational agency show-
5 ing that the child meets the criteria specified in
6 clauses (iv) or (v) of subsection (b)(6); or

7 “(E) documentation has been provided to
8 the appropriate local educational agency show-
9 ing the child’s status as a migratory child, as
10 such term is defined in section 1309(2) of the
11 Elementary and Secondary Education Act of
12 1965 (20 U.S.C. 6399(2)).”.

13 **SEC. 103. ELIGIBILITY FOR SEVERE NEED ASSISTANCE.**

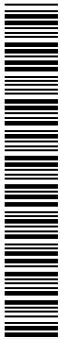
14 Section 4(d) of the Child Nutrition Act of 1966 (42
15 U.S.C. 1773(d)) is amended—

16 (1) by amending the subsection heading as fol-
17 lows:

18 “(d) SEVERE NEED ASSISTANCE.—”; and

19 (2) by amending paragraph (1) to read as fol-
20 lows:

21 “(1) IN GENERAL.—Each State educational
22 agency shall provide additional assistance to schools
23 in severe need, which shall include only those schools
24 (having a breakfast program or desiring to initiate
25 a breakfast program) in which, during the most re-



1 cent second preceding school year for which lunches
2 were served, 40 percent or more of the lunches
3 served to students at the school were served free or
4 at a reduced price (or those new schools drawing
5 their attendance from schools receiving severe need
6 assistance), and in which the rate per meal estab-
7 lished by the Secretary is insufficient to cover the
8 costs of the breakfast program.”.

9 **SEC. 104. REAUTHORIZATION OF SUMMER FOOD PRO-**
10 **GRAMS.**

11 (a) SUMMER FOOD PILOT PROJECTS.—Section 18(f)
12 of the Richard B. Russell National School Lunch Act (42
13 U.S.C. 1769(f)) is amended—

14 (1) in paragraph (2), by striking “March 31,
15 2004” and inserting “September 30, 2008”; and

16 (2) in paragraph (3), by striking “(other than
17 a service institution described in section 13(a)(7))”
18 both places it appears.

19 (b) SUMMER FOOD SERVICE PROGRAM FOR CHIL-
20 DREN.—Section 13(q) of the Richard B. Russell National
21 School Lunch Act (42 U.S.C. 1761(q)) is amended by
22 striking “March 31, 2004” and inserting “September 30,
23 2008”.



1 **SEC. 105. CHILD AND ADULT CARE FOOD PROGRAM.**

2 (a) ELIGIBILITY OF PRIVATE CHILD CARE CEN-
3 TERS.—Section 17 of the Richard B. Russell National
4 School Lunch Act (42 U.S.C. 1766) is amended—

5 (1) in subsection (a)(2)(B)(i), by striking “dur-
6 ing the period” and all that follows through “March
7 31, 2004”; and

8 (2) by striking subsection (p).

9 (b) DURATION OF DETERMINATION AS TIER 1 FAM-
10 ILY OR GROUP DAY CARE HOME.—Section
11 17(f)(3)(E)(iii) of the Richard B. Russell National School
12 Lunch Act (42 U.S.C. 1766(f)(3)(E)(iii)) is amended by
13 striking “3 years” and inserting “5 years”.

14 (c) DURATION OF AGREEMENTS.—Section 17(j) of
15 the Richard B. Russell National School Lunch Act (42
16 U.S.C. 1766(j)) is amended to read as follows:

17 “(j) AGREEMENTS.—

18 “(1) IN GENERAL.—The Secretary may issue
19 regulations directing States to develop and provide
20 for the use of a standard form of agreement between
21 each family or group day care sponsoring organiza-
22 tion and the family or group day care homes partici-
23 pating in the program under such organization, for
24 the purpose of specifying the rights and responsibil-
25 ities of each party.



1 “(2) DURATION.—An agreement under para-
2 graph (1) shall remain in effect until terminated by
3 either party to the agreement.”.

4 (d) MANAGEMENT IMPROVEMENT INITIATIVE.—Sec-
5 tion 17(q)(3) of the Richard B. Russell National School
6 Lunch Act (42 U.S.C. 1766(q)(3)) is amended by striking
7 “1999 through 2003” and inserting “2005 and 2006”.

8 (e) AUDITS.—Section 17(i) of the Richard B. Russell
9 National School Lunch Act (42 U.S.C. 1766(i)) is amend-
10 ed to read as follows:

11 “(i) AUDITS.—

12 “(1) FUNDS FOR AUDITS.—The Secretary shall
13 make available for each fiscal year to a State admin-
14 istering the child and adult care food program, for
15 the purpose of conducting audits of participating in-
16 stitutions, an amount up to 1.5 percent (except in
17 the case of fiscal years 2005 through 2007, 1 per-
18 cent) of the funds used by the State in the program
19 under this section during the second preceding fiscal
20 year.

21 “(2) AUDIT PROCEDURES.—

22 “(A) IN GENERAL.—Subject to subpara-
23 graph (B), in conducting management evalua-
24 tions, reviews, or audits of the program under
25 this subsection, the Secretary or a State agency



1 may disregard any overpayment to an institu-
2 tion if the total overpayment for any fiscal year
3 does not exceed an amount, consistent with the
4 disregards allowed in other programs under this
5 Act, which recognizes the cost of collecting
6 small claims.

7 “(B) CRIMINAL OR FRAUD VIOLATIONS.—
8 In carrying out this subsection, the Secretary
9 and a State agency shall not disregard any
10 overpayment for which there is evidence of a
11 violation of a criminal law or civil fraud law.”.

12 (f) EMERGENCY SHELTERS.—Section 17(t)(5)(A)(i)
13 of the Richard B. Russell National School Lunch Act (42
14 U.S.C. 1766(t)(5)(A)(i) is amended—

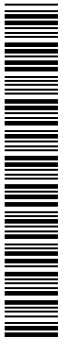
15 (1) in subclause (I)—

16 (A) by striking “12” and inserting “18”;
17 and

18 (B) by inserting “or” after the semicolon;
19 and

20 (2) by striking subclause (II) and redesignating
21 subclause (III) as subclause (II).

22 (g) PAPERWORK REDUCTION.—The Secretary of Ag-
23 riculture, in conjunction with States and participating in-
24 stitutions, shall examine the feasibility of reducing paper
25 work resulting from regulations and record-keeping re-



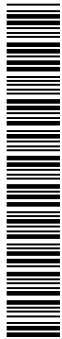
1 quirements for State agencies, family child care homes,
2 child care centers, and sponsoring organizations partici-
3 pating in the child and adult care food program estab-
4 lished under section 17 of the Richard B. Russell National
5 School Lunch Act (42 U.S.C. 1766).

6 **SEC. 106. REVIEW OF BEST PRACTICES IN THE BREAKFAST**
7 **PROGRAM.**

8 (a) REVIEW.—Subject to the availability of funds, the
9 Secretary of Agriculture shall enter into an agreement
10 with a research organization to collect and disseminate a
11 review of best practices to assist schools in addressing ex-
12 isting impediments at the State and local level that hinder
13 the growth of the school breakfast program under section
14 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).
15 The review shall describe model breakfast programs and
16 offer recommendations for schools to overcome obstacles
17 such as:

- 18 (1) the length of the school day;
19 (2) bus schedules; and
20 (3) potential increases in costs at the State and
21 local level.

22 (b) DISSEMINATION.—Not later than 12 months
23 after the date of enactment of this Act, the Secretary shall
24 make the review required under subsection (a) available
25 to local educational agencies via the Internet, including



1 recommendations to improve participation in the school
2 breakfast program. Not later than 12 months after the
3 date of enactment of this Act, the review shall also be
4 transmitted to the Committee on Education of the House
5 of Representatives and the Committee on Agriculture of
6 the Senate.

7 **TITLE II—IMPROVING PROGRAM**
8 **QUALITY AND INTEGRITY**

9 **SEC. 201. ELIGIBILITY AND CERTIFICATION FOR FREE AND**
10 **REDUCED PRICE LUNCHES.**

11 (a) IN GENERAL.—Section 9(b) of the Richard B.
12 Russell National School Lunch Act (42 U.S.C. 1758) is
13 amended—

14 (1) by amending the subsection heading to read
15 as follows:

16 “(b) ELIGIBILITY FOR FREE AND REDUCED PRICE
17 LUNCHES.—”; and

18 (2) by amending paragraphs (1) and (2) to
19 read as follows:

20 “(1) INCOME GUIDELINES.—

21 “(A) IN GENERAL.—Not later than June 1
22 of each fiscal year, the Secretary shall prescribe
23 income guidelines for determining eligibility for
24 free and reduced price lunches during the 12-
25 month period beginning July 1 of such fiscal

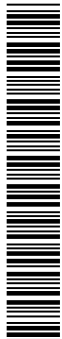


1 year and ending June 30 of the following fiscal
2 year. The income guidelines for determining eli-
3 gibility for free lunches shall be 130 percent of
4 the applicable family size income levels con-
5 tained in the nonfarm income poverty guidelines
6 issued by the Secretary of Health and Human
7 Services, as adjusted annually in accordance
8 with subparagraph (B). The income guidelines
9 for determining eligibility for reduced price
10 lunches for any school year shall be 185 percent
11 of the applicable family size income levels con-
12 tained in the nonfarm income poverty guidelines
13 issued by the Secretary of Health and Human
14 Services, as adjusted annually in accordance
15 with subparagraph (B). Such guidelines shall be
16 revised at annual intervals, or at any shorter in-
17 terval deemed feasible and desirable.

18 “(B) FORMULA FOR REVISION.—The revi-
19 sion required by subparagraph (A) of this para-
20 graph shall be made by multiplying—

21 “(i) the official poverty line (as de-
22 fined by the Secretary of Health and
23 Human Services); by

24 “(ii) the percentage change in the
25 Consumer Price Index during the annual



1 or other interval immediately preceding the
2 time at which the adjustment is made.

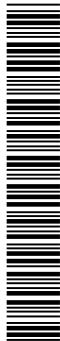
3 Revisions under this subparagraph shall be
4 made not more than 30 days after the date on
5 which the Consumer Price Index data required
6 to compute the adjustment becomes available.

7 “(2) CERTIFICATION OF ELIGIBILITY.—

8 “(A) ANNOUNCEMENT BY STATE EDU-
9 CATIONAL AGENCY.—Following the determina-
10 tion by the Secretary under paragraph (1) of
11 this subsection of the income eligibility guide-
12 lines for each school year, each State edu-
13 cational agency shall announce the income eligi-
14 bility guidelines, by family size, to be used by
15 schools in the State in making determinations
16 of eligibility for free and reduced price lunches.
17 Local educational agencies shall, each year,
18 publicly announce the income eligibility guide-
19 lines for free and reduced price lunches on or
20 before the opening of school.

21 “(B) APPLICATIONS.—

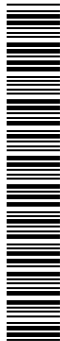
22 “(i) IN GENERAL.—Applications for
23 free and reduced price lunches, in such
24 form as the Secretary may prescribe or ap-
25 prove, and any descriptive material, in an



1 understandable and uniform format, and
2 to the extent practicable, in a language
3 that parents can understand, shall be dis-
4 tributed at least annually to the parents or
5 guardians of children in attendance at the
6 school.

7 “(ii) INCOME LEVELS.—Applications
8 and descriptive material shall contain only
9 the family size income eligibility guidelines
10 for reduced price meal eligibility, with the
11 explanation that households with incomes
12 less than or equal to these values would be
13 eligible for free or reduced price lunches.
14 Such applications and descriptive material
15 may not contain the income eligibility
16 guidelines for free lunches.

17 “(iii) NOTIFICATION.—Descriptive
18 materials shall contain a notification that
19 participants in the Special Supplemental
20 Nutrition Program for Women, Infants,
21 and Children authorized under Section 17
22 of the Child Nutrition Act of 1966 (42
23 U.S.C. 1771 et seq.), the food stamp pro-
24 gram established under the Food Stamp
25 Act of 1977 (7 U.S.C. 2011 et seq.), the



1 Food Distribution Program on Indian Res-
2 ervations (FDPIR), or a State program
3 funded under part A of title IV of the So-
4 cial Security Act (if the Secretary deter-
5 mines the State program complies with
6 standards established by the Secretary that
7 ensure that the standards under the State
8 program are comparable to or more re-
9 strictive than those in effect on June 1,
10 1995) are eligible for free or reduced price
11 lunches. Such descriptive materials shall
12 also contain a notice to parents that docu-
13 mentation, such as that described in sub-
14 paragraph (C)(iii), may be requested for
15 verification.

16 “(iv) ELECTRONIC AVAILABILITY.—In
17 addition to the distribution of such appli-
18 cations and descriptive material in paper
19 form as provided for in this paragraph,
20 such applications and material may be
21 made available electronically via the Inter-
22 net.

23 “(C) ELIGIBILITY.—

24 “(i) HOUSEHOLD APPLICATIONS.—

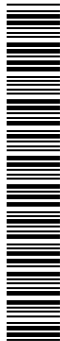


1 “(I) IN GENERAL.—If an eligi-
2 bility determination for a child is not
3 made under clause (ii) or (iii), an eli-
4 gibility determination shall be made
5 on the basis of a complete household
6 application executed by an adult mem-
7 ber of the household, or in accordance
8 with other guidance issued by the Sec-
9 retary.

10 “(II) ADDITIONAL BASES.—Eligi-
11 bility may be determined by the local
12 educational agency on the basis of a
13 complete application executed by an
14 adult member of the household, or in
15 accordance with other guidance issued
16 by the Secretary (and including an
17 electronic signature when the applica-
18 tion is submitted electronically), if the
19 application filing system meets con-
20 fidentiality standards established by
21 the Secretary.

22 “(III) CHILDREN IN HOUSE-
23 HOLD.—

24 “(aa) IN GENERAL.—The
25 application shall identify the

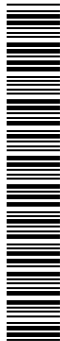


1 names of each child in the house-
2 hold for whom meal benefits are
3 requested.

4 “(bb) SEPARATE APPLICA-
5 TIONS.—A State educational
6 agency or local educational agen-
7 cy may not request a separate
8 application for each child in the
9 household.

10 “(IV) VERIFICATION.—The Sec-
11 retary, State, or local educational
12 agency may verify any data contained
13 in such application. In accordance
14 with guidance issued by the Secretary,
15 each local educational agency shall
16 verify a sample of approved free and
17 reduced price applications and shall
18 make appropriate changes in the eligi-
19 bility determination with respect to
20 such applications on the basis of such
21 verification. The sample selected for
22 verification shall be as follows:

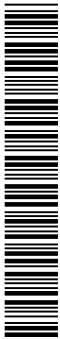
23 “(aa) For local educational
24 agencies able to obtain verifica-
25 tion information for at least 75



1 percent of all applications se-
2 lected for verification in the prior
3 year, or local educational agen-
4 cies receiving more than 20,000
5 applications and that in the prior
6 year had a verification non-re-
7 sponse rate that was 10 percent
8 below the the verification non-re-
9 sponse rate of the second prior
10 year, the sample selected shall be
11 either—

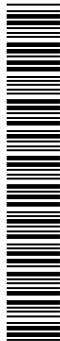
12 “(AA) the lesser of
13 3,000 or 3 percent of ap-
14 proved applications selected
15 at random by the local edu-
16 cational agencies from all
17 approved applications; or

18 “(BB) the lesser of
19 1,000 or 1 percent of all ap-
20 proved applications selected
21 from applications that indi-
22 cate monthly income that is
23 within \$100, or annual in-
24 come that is within \$1,200,
25 of the income eligibility lim-



1 its for free or reduced price
2 meals, plus the lesser of 500
3 or $\frac{1}{2}$ of 1 percent of ap-
4 proved applications that pro-
5 vided a case number in lieu
6 of income information show-
7 ing participation in the food
8 stamp program or Tem-
9 porary Assistance for Needy
10 Families program selected
11 from those approved applica-
12 tions that provided a case
13 number in lieu of income in-
14 formation verifying such
15 participation.

16 “(bb) For all other local
17 educational agencies, the sample
18 selected shall be the lesser of
19 3,000 or 3 percent of all ap-
20 proved applications selected from
21 applications that indicate month-
22 ly income that is within \$100, or
23 annual income that is within
24 \$1,200, of the income eligibility
25 limits for free or reduced price



1 meals. If, for any local edu-
2 cational agency, the total number
3 of such applications is less than
4 3,000 or 3 percent of all ap-
5 proved applications, the local
6 educational agency shall select
7 additional applications at random
8 from all approved applications in
9 order to obtain a total sample for
10 verification of 3,000 or 3 percent
11 of all approved applications.

12 “(V) SUBSTITUTIONS.—

13 “(aa) IN GENERAL.—In ac-
14 cordance with the regulations
15 prescribed by the Secretary, the
16 local educational agency may,
17 upon individual review, decline to
18 verify any application selected
19 under subclause (IV) and replace
20 it with another application to be
21 verified. Such agency may decline
22 to verify no more than 2 percent
23 of the applications selected for
24 verification under this subclause.



1 “(bb) SUBSTITUTE CRITERIA
2 IN CASES OF EMERGENCIES.—
3 The Secretary may substitute al-
4 ternative criteria for the sample
5 size and sample selection criteria
6 in subclause (IV) to address a
7 natural disaster, civil disorder,
8 strike, or other local condition.

9 “(VI) DIRECT VERIFICATION.—

10 “(aa) IN GENERAL.—In ac-
11 cordance with regulations pro-
12 mulgated by the Secretary, in
13 verifying the sample selected in
14 accordance with subclause (IV),
15 the local educational agency may
16 first obtain from certain public
17 agencies administering the pro-
18 grams identified in item (bb) of
19 this subclause, and similar in-
20 come-tested programs, informa-
21 tion to verify eligibility for free or
22 reduced price meals.

23 “(bb) PUBLIC AGENCY
24 RECORDS.—Public agency
25 records that may be used to ver-



1 ify eligibility for free meals shall
2 include income information relied
3 upon within 12 months prior to
4 verification under subclause (IV)
5 in the administration of the fol-
6 lowing programs: the food stamp
7 program established under the
8 Food Stamp Act of 1977 (7
9 U.S.C. 2011 et seq.); the State
10 program funded under part A of
11 title IV of the Social Security
12 Act; the Food Distribution Pro-
13 gram on Indian Reservations
14 (FDPIR); and the State Med-
15 icaid program under title XIX of
16 the Social Security Act (42
17 U.S.C. 1396 et seq.) in a State
18 in which the income eligibility
19 limit described in section
20 1902(l)(2)(C) of the Social Secu-
21 rity Act is no higher than 133
22 percent of the income official
23 poverty line as specified in sec-
24 tion 1902(l)(2)(A) of such Act, in
25 the case of eligibility for free



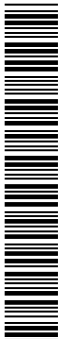
1 meals, and 185 percent of the in-
2 come official poverty line as spec-
3 ified in such section in the case
4 of reduced price meals.

5 “(VII) PLAIN, UNDERSTANDABLE
6 LANGUAGE.—Any and all communica-
7 tions to parents regarding verification
8 under subclause (IV) shall be in an
9 understandable and uniform format,
10 and, to the extent practicable, in a
11 language that parents can under-
12 stand.

13 “(ii) DIRECT CERTIFICATION FOR
14 CHILDREN IN FOOD STAMP HOUSE-
15 HOLDS.—

16 “(I) IN GENERAL.—Each State
17 agency shall, to the extent practicable,
18 enter into an agreement with the
19 State agency conducting eligibility de-
20 terminations for the food stamp pro-
21 gram established under the Food
22 Stamp Act of 1977 (7 U.S.C. 2011 et
23 seq.).

24 “(II) PROCEDURES.—Subject to
25 clause (iv), the agreement shall estab-



1 lish procedures under which a child
2 who is a member of a household re-
3 ceiving assistance under the program
4 referred to in subclause (I) shall be
5 certified as eligible for free meals
6 under this Act, without further appli-
7 cation.

8 “(III) DIRECT CERTIFICATION.—
9 Subject to clause (iv), under the
10 agreement, the local educational agen-
11 cy conducting eligibility determina-
12 tions for a school meal program con-
13 ducted under this Act shall certify a
14 child who is a member of a household
15 receiving assistance under the pro-
16 gram referred to in subclause (I) as
17 eligible for free meals under this Act
18 without further application.

19 “(IV) NOTICE.—The appropriate
20 local educational agency shall provide
21 annually to the parents or guardians
22 of all students who are members of a
23 household receiving assistance under
24 the program referred to in subclause
25 (I), notification, in an understandable



1 and uniform format, and, to the ex-
2 tent practicable, in a language that
3 parents can understand, that any
4 school-aged child in that household is
5 eligible for free lunches or breakfasts.

6 “(iii) DIRECT CERTIFICATION OF
7 CHILDREN IN OTHER HOUSEHOLDS.—Sub-
8 ject to clause (iv), any local educational
9 agency may certify any child as eligible for
10 free lunches or breakfasts, without further
11 application, by directly communicating
12 with the appropriate State or local agency
13 to obtain documentation of such child’s
14 status as a migratory, as such term is de-
15 fined in section 1309(2) of the Elementary
16 and Secondary Education Act of 1965 (20
17 U.S.C. 6399(2)), or a member of a family
18 that is receiving assistance under a State
19 program funded under part A of title IV of
20 the Social Security Act if the Secretary de-
21 termines the State program complies with
22 standards established by the Secretary that
23 ensure that the standards under the State
24 program are comparable to or more re-



1 strictive than those in effect on June 1,
2 1995.

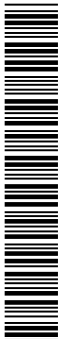
3 “(iv) DISCLOSURE OF INFORMA-
4 TION.—The use or disclosure of any infor-
5 mation obtained from an application for
6 free or reduced price meals, or from a
7 State or local agency referred to in clauses
8 (ii) and (iii), shall be limited to—

9 “(I) a person directly connected
10 with the administration or enforce-
11 ment of this Act or the Child Nutri-
12 tion Act of 1966 (42 U.S.C. 1771 et
13 seq.), or a regulation issued pursuant
14 to either Act;

15 “(II) a person directly connected
16 with the administration or enforce-
17 ment of—

18 “(aa) a Federal education
19 program;

20 “(bb) a State health or edu-
21 cation program administered by
22 the State or local educational
23 agency (other than a program
24 carried out under title XIX of



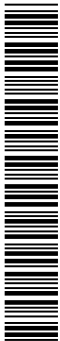
1 the Social Security Act (42
2 U.S.C. 1396 et seq.); or

3 “(cc) a Federal, State, or
4 local means-tested nutrition pro-
5 gram with eligibility standards
6 comparable to the program under
7 this section;

8 “(III)(aa) the Comptroller Gen-
9 eral of the United States for audit
10 and examination authorized by any
11 other provision of law; and

12 “(bb) notwithstanding any other
13 provision of law, a Federal, State, or
14 local law enforcement official for the
15 purpose of investigating an alleged
16 violation of any program requirements
17 under paragraph (1) or this para-
18 graph; and

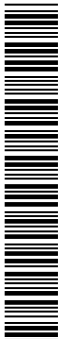
19 “(IV) a person directly connected
20 with the administration of the State
21 Medicaid program under title XIX of
22 the Social Security Act (42 U.S.C.
23 1396 et seq.) or the State children’s
24 health insurance program under title
25 XXI of that Act (42 U.S.C. 1397aa et



1 seq.) solely for the purpose of identi-
2 fying children eligible for benefits
3 under, and enrolling children in, such
4 programs, except that this subclause
5 shall apply only to the extent that the
6 State and the local educational agency
7 so elect.

8 “(v) LIMITATION.—Information pro-
9 vided under clause (iv)(II) shall be limited
10 to the income eligibility status of the child
11 for whom application for free or reduced
12 price meal benefits was made or for whom
13 eligibility information was provided under
14 clause (ii) or (iii), unless the consent of the
15 parent or guardian of the child for whom
16 application for benefits was made is ob-
17 tained.

18 “(vi) PENALTY FOR UNAUTHORIZED
19 DISCLOSURE.—A person described in
20 clause (iv) who publishes, divulges, dis-
21 closes, or makes known in any manner, or
22 to any extent not authorized by Federal
23 law (including a regulation), any informa-
24 tion obtained under this subsection shall be

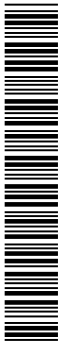


1 fined not more than \$1,000 or imprisoned
2 not more than 1 year, or both.

3 “(vii) REQUIREMENTS FOR WAIVER
4 OF CONFIDENTIALITY.—A State that elects
5 to exercise the option described in clause
6 (iv)(IV) shall ensure that any local edu-
7 cational agency acting in accordance with
8 that option—

9 “(I) has a written agreement
10 with the State or local agency or
11 agencies administering health insur-
12 ance programs for children under ti-
13 tles XIX and XXI of the Social Secu-
14 rity Act (42 U.S.C. 1396 et seq. and
15 1397aa et seq.) that requires the
16 health agencies to use the information
17 obtained under clause (iv) to seek to
18 enroll children in those health insur-
19 ance programs; and

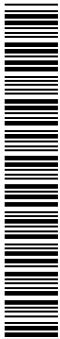
20 “(II)(aa) notifies each household,
21 the information of which shall be dis-
22 closed under clause (iv), that the in-
23 formation disclosed will be used only
24 to enroll children in health programs
25 referred to in clause (iv)(IV); and



1 “(bb) provides each parent or
2 guardian of a child in the household
3 with an opportunity to elect not to
4 have the information disclosed.

5 “(viii) USE OF DISCLOSED INFORMA-
6 TION.—A person to which information is
7 disclosed under clause (iv)(IV) shall use or
8 disclose the information only as necessary
9 for the purpose of enrolling children in
10 health programs referred to in clause
11 (iv)(IV).

12 “(D) FREE AND REDUCED PRICE POLICY
13 STATEMENT.—After the initial submission, a
14 local educational agency shall not be required to
15 submit a free and reduced price policy state-
16 ment to a State educational agency under this
17 Act unless there is a substantive change in the
18 free and reduced price policy of the local edu-
19 cational agency. A routine change in the policy
20 of a local educational agency, such as an annual
21 adjustment of the income eligibility guidelines
22 for free and reduced price meals, shall not be
23 sufficient cause for requiring the local edu-
24 cational agency to submit a policy statement.”.



1 (b) CONFORMING AMENDMENT.—Section 9(b)(6)(B)
2 of the Richard B. Russell National School Lunch Act (42
3 U.S.C. 1758(b)(6)(B) is amended by inserting “, or docu-
4 mentation showing the child’s status as a migratory child,
5 as such term is defined in section 1309(2) of the Elemen-
6 tary and Secondary Education Act of 1965 (20 U.S.C.
7 6399(2))” after “subparagraph (A)(iii)”.

8 **SEC. 202. DURATION OF ELIGIBILITY FOR FREE AND RE-**
9 **DUCTED PRICE LUNCHES.**

10 Section 9(b)(3) of the Richard B. Russell National
11 School Lunch Act (42 U.S.C. 1758(b)(3)) is amended to
12 read as follows:

13 “(3) ELIGIBILITY FOR FREE AND REDUCED
14 PRICE LUNCHES.—

15 “(A) FREE LUNCHES.—Any child who is a
16 member of a household whose income, at the
17 time the application is submitted, is at an an-
18 nual rate which does not exceed the applicable
19 family size income level of the income eligibility
20 guidelines for free lunches, as determined under
21 paragraph (1), shall be served a free lunch.

22 “(B) REDUCED PRICE LUNCHES.—

23 “(i) IN GENERAL.—Any child who is a
24 member of a household whose income, at
25 the time the application is submitted, is at



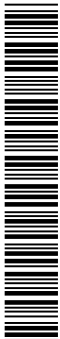
1 an annual rate greater than the applicable
2 family size income level of the income eligi-
3 bility guidelines for free lunches, as deter-
4 mined under paragraph (1), but less than
5 or equal to the applicable family size in-
6 come level of the income eligibility guide-
7 lines for reduced price lunches, as deter-
8 mined under paragraph (1), shall be served
9 a reduced price lunch.

10 “(ii) MAXIMUM PRICE.—The price
11 charged for a reduced price lunch shall not
12 exceed 40 cents.

13 “(C) DURATION.—Except as otherwise
14 specified in section 11(a) or section
15 9(b)(2)(C)(i)(IV), eligibility for free or reduced
16 price meals for any school year shall remain in
17 effect—

18 “(i) beginning on the date of eligi-
19 bility approval for the current school year;
20 and

21 “(ii) ending on the date of the begin-
22 ning of school in the subsequent school
23 year or as otherwise specified by the Sec-
24 retary.”.



1 **SEC. 203. CERTIFICATION BY LOCAL EDUCATIONAL AGEN-**
2 **CIES.**

3 (a) CERTIFICATION BY LOCAL EDUCATIONAL AGEN-
4 CY.—Section 9 of the Richard B. Russell National School
5 Lunch Act (42 U.S.C. 1758) is further amended—

6 (1) in subsection (b)(5), by striking “Local
7 school authorities” and inserting “Local educational
8 agencies”; and

9 (2) in subsection (d)(2)—

10 (A) by striking “local school food author-
11 ity” each place it appears and inserting “local
12 educational agency”; and

13 (B) in subparagraph (A), by striking “such
14 authority” and inserting “the local educational
15 agency”.

16 (b) DEFINITION OF LOCAL EDUCATIONAL AGEN-
17 CY.—Section 12(d) of the Richard B. Russell National
18 School Lunch Act (42 U.S.C. 1760(d)) is amended—

19 (1) by redesignating paragraphs (3) through
20 (8) as paragraphs (4) through (9), respectively; and

21 (2) by inserting after paragraph (2) the fol-
22 lowing:

23 “(3) LOCAL EDUCATIONAL AGENCY.—

24 “(A) IN GENERAL.—The term ‘local edu-
25 cational agency’ has the meaning given the
26 term in section 9101 of the Elementary and



1 Secondary Education Act of 1965 (20 U.S.C.
2 7801).

3 “(B) INCLUSION.—The term ‘local edu-
4 cational agency’ includes, in the case of a pri-
5 vate nonprofit school food authority, an appro-
6 priate entity determined by the Secretary.”.

7 (c) SCHOOL BREAKFAST PROGRAM.—Section
8 4(b)(1)(E)) of the Child Nutrition Act of 1966 (42 U.S.C.
9 1773(b)(1)(E)) is amended by striking “school food au-
10 thority” each place it appears and inserting “local edu-
11 cational agency”.

12 **SEC. 204. COMPLIANCE AND ACCOUNTABILITY.**

13 Section 22 of the Richard B. Russell National School
14 Lunch Act (42 U.S.C. 1769c) is amended by inserting
15 “and local educational agencies” after “food service au-
16 thorities” each place it appears.

17 **SEC. 205. TECHNOLOGY IMPROVEMENT.**

18 (a) PRIORITY FOR REALLOCATED FUNDS.—Section
19 7(a)(5)(B)(ii) of the Child Nutrition Act of 1966 (42
20 U.S.C. 1776(a)(5)(B)(ii)) is amended by inserting the fol-
21 lowing new sentence at the end: “The Secretary shall give
22 priority consideration to States that will use the funds for
23 improvements in technology and information management
24 systems described in subsection (e)(2).”.



1 (b) CONFORMING AMENDMENT.—Section 7(b) of the
2 Child Nutrition Act of 1966 (42 U.S.C. 1776(b)) is
3 amended by striking “and for staff development.” and in-
4 serting “; for staff development; and technology and infor-
5 mation management systems.”.

6 **SEC. 206. MINIMUM STATE ADMINISTRATIVE EXPENSE**
7 **GRANTS.**

8 Section 7 of the Child Nutrition Act (42 U.S.C.
9 1776(a)(1)) is further amended—

10 (1) by amending the section heading to read as
11 follows:

12 **“SEC. 7. STATE ADMINISTRATIVE EXPENSES.”**; and

13 (2) in subsection (a)—

14 (A) by amending the subsection heading to
15 read as follows:

16 **“(a) AMOUNT AND ALLOCATION OF FUNDS.—”**.

17 (B) by amending paragraph (1) to read as
18 follows:

19 **“(1) AMOUNT AVAILABLE.—**

20 **“(A) IN GENERAL.—**Except as provided in
21 subparagraph (B), each fiscal year the Sec-
22 retary shall make available to the States for
23 their Administrative costs an amount equal to
24 not less than 1½ percent of the Federal funds
25 expended under sections 4, 11, 17, and 17A of



1 the Richard B. Russell National School Lunch
2 Act (42 U.S.C. 1753, 1759a, 1766, and
3 1766a)) and sections 3 and 4 of this Act during
4 the second preceding fiscal year.

5 “(B) MINIMUM AMOUNT.—In the case of
6 each of fiscal years 2005 through 2007, the
7 Secretary shall make available to each State for
8 their administrative costs not less than the ini-
9 tial allocation made to the State under this sub-
10 section for fiscal year 2004.

11 “(C) ALLOCATION.—The Secretary shall
12 allocate the funds so provided in accordance
13 with paragraphs (2), (3), and (4) of this sub-
14 section.

15 “(D) AUTHORIZATION OF APPROPRIA-
16 TIONS.—There is authorized to be appropriated
17 such sums as may be necessary to carry out the
18 purposes of this section.”; and

19 (C) in paragraph (2), by striking
20 “\$100,000” and inserting “\$200,000”.

21 **SEC. 207. DISTRICT-WIDE ELIGIBILITY FOR SPECIAL AS-**
22 **SISTANCE.**

23 Section 11(a)(1) of the Richard B. Russell National
24 School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended—
25 (1) in subparagraph (C)—



1 (A) in clause (i)—

2 (i) by inserting “or school district”
3 after “in the case of any school”;

4 (ii) by inserting “or school district”
5 after “in the school” both times it appears;

6 (iii) by inserting “or school district”
7 after “in the case of a school”; and

8 (iv) by inserting “or school district”
9 after “with respect to the school”;

10 (B) in clause (ii)—

11 (i) by inserting “or school district”
12 after “served by a school”; and

13 (ii) by inserting “or school district”
14 after “served by the school”; and

15 (C) in clause (iii) by inserting “or school
16 district” after “a school”;

17 (2) in subparagraph (D)—

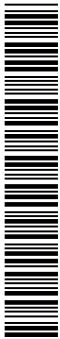
18 (A) in clause (i)—

19 (i) by inserting “or school district”
20 after “any school”; and

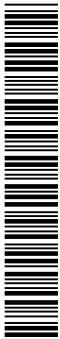
21 (ii) by inserting “or school district”
22 after “the school”;

23 (B) in clause (ii)—

24 (i) by inserting “or school district”
25 after “A school”; and



- 1 (ii) by inserting “or school district”
2 after “the school”;
3 (C) in clause (iii)—
4 (i) by inserting “or school district”
5 after “a school”; and
6 (ii) by inserting “or school district”
7 after “the school”; and
8 (D) in clause (iv) by inserting “or school
9 district” after “levels, a school”; and
10 (3) in subparagraph (E)—
11 (A) in clause (i)—
12 (i) by inserting “or school district”
13 after “In the case of any school”;
14 (ii) by inserting “or school district”
15 after “in the school” both times it appears;
16 (iii) by inserting “or school district”
17 after “in the case of a school”;
18 (iv) by inserting “or school district”
19 after “with respect to the school”;
20 (v) by inserting “or school district”
21 after “received by the school”; and
22 (vi) by inserting “or school district”
23 after “for which the school”; and
24 (B) in clause (ii)—



- 1 (i) by inserting “or school district”
2 after “A school”;
3 (ii) by inserting “or school district”
4 after “for which the school” both times it
5 appears; and
6 (iii) by inserting “or school district”
7 after “population of the school” both times
8 it appears.

9 **SEC. 208. ADMINISTRATIVE ERROR REDUCTION.**

10 (a) FEDERAL SUPPORT FOR TRAINING AND TECH-
11 NICAL ASSISTANCE.—Section 21 of the Richard B. Russell
12 National School Lunch Act (42 U.S.C. 1769b-1) is
13 amended—

14 (1) by redesignating subsection (e) as sub-
15 section (g); and

16 (2) by inserting after subsection (d) the fol-
17 lowing:

18 “(e) ADMINISTRATIVE TRAINING AND TECHNICAL
19 ASSISTANCE MATERIALS.—In collaboration with State
20 educational agencies, school food authorities, and local
21 educational agencies of varying sizes, the Secretary shall
22 develop and distribute training and technical assistance
23 materials relating to the administration of school meal
24 programs that are—



1 “(1) prepared by the Secretary (based on re-
2 search or other sources), a State educational agency,
3 a school food authority, or a local educational agen-
4 cy; and

5 “(2) representative of the best management and
6 administrative practices of State agencies, school
7 food authorities, and local educational agencies as
8 determined by the Secretary.

9 “(f) FEDERAL ADMINISTRATIVE SUPPORT.—

10 “(1) FUNDING.—

11 “(A) IN GENERAL.—Out of any funds in
12 the Treasury not otherwise appropriated, the
13 Secretary of the Treasury shall transfer to the
14 Secretary of Agriculture to carry out this
15 subsection—

16 “(i) on October 1, 2004 and October
17 1, 2005, \$3,000,000; and

18 “(ii) on October 1, 2006, and October
19 1, 2007, \$2,000,000.

20 “(B) RECEIPT AND ACCEPTANCE.—The
21 Secretary shall be entitled to receive, shall ac-
22 cept, and shall use to carry out this subsection
23 the funds transferred under subparagraph (A),
24 without further appropriation.



1 “(C) AVAILABILITY OF FUNDS.—Funds
2 transferred under subparagraph (A) shall re-
3 main available until expended.

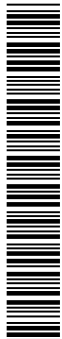
4 “(2) USE OF FUNDS.—The Secretary may use
5 funds provided under this subsection—

6 “(A) to provide training and technical as-
7 sistance related to administrative practices de-
8 signed to improve program integrity and admin-
9 istrative accuracy in school meals programs (in-
10 cluding administrative requirements established
11 by the Child Nutrition Improvement and Integ-
12 rity Act and amendments made by that Act) to
13 State educational agencies and, to the extent
14 determined by the Secretary, to school food au-
15 thorities and local educational agencies;

16 “(B) to assist State educational agencies
17 in reviewing the administrative practices of
18 school food authorities, to the extent deter-
19 mined by the Secretary; and

20 “(C) to carry out the activities described in
21 subsection (e).”.

22 (b) SELECTED ADMINISTRATIVE REVIEWS.—Section
23 22(b) of the Richard B. Russell National School Lunch
24 Act (42 U.S.C. 1769c(b)) is amended by adding at the
25 end the following:



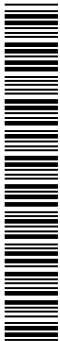
1 “(3) ADDITIONAL REVIEW REQUIREMENT FOR
2 SELECTED LOCAL EDUCATIONAL AGENCIES.—

3 “(A) DEFINITION OF SELECTED LOCAL
4 EDUCATIONAL AGENCY.—In this paragraph, the
5 term ‘selected local educational agency’ means a
6 local educational agency that has a dem-
7 onstrated a high level of, or a high risk for, ad-
8 ministrative error, as determined by the Sec-
9 retary.

10 “(B) ADDITIONAL ADMINISTRATIVE RE-
11 VIEW.—In addition to any review required by
12 subsection (a) or paragraph (1), each State
13 educational agency shall conduct an administra-
14 tive review of each selected local educational
15 agency during the review cycle established
16 under subsection (a).

17 “(C) SCOPE OF REVIEW.—In carrying out
18 a review under subparagraph (B), a State edu-
19 cational agency shall only review the adminis-
20 trative processes of a selected local educational
21 agency, including application, certification, ver-
22 ification, meal counting, and meal claiming pro-
23 cedures.

24 “(D) RESULTS OF REVIEW.—If the State
25 educational agency determines (on the basis of



1 a review conducted under subparagraph (B))
2 that a selected local educational agency fails to
3 meet performance criteria established by the
4 Secretary, the State educational agency shall—

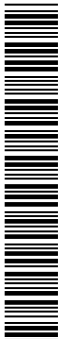
5 “(i) require the selected local edu-
6 cational agency to develop and carry out
7 an approved plan of corrective action;

8 “(ii) except to the extent technical as-
9 sistance is provided directly by the Sec-
10 retary, provide technical assistance to as-
11 sist the selected local educational agency in
12 carrying out the corrective action plan; and

13 “(iii) conduct a follow-up review of
14 the selected local educational agency under
15 standards established by the Secretary.

16 “(4) RECOVERING FUNDS AFTER ADMINISTRA-
17 TIVE REVIEWS.—

18 “(A) IN GENERAL.—Subject to subpara-
19 graphs (B) and (C), if the local educational
20 agency fails to meet administrative performance
21 criteria established by the Secretary in both an
22 initial review and a follow-up review under
23 paragraph (1) or (3) or subsection (a), the Sec-
24 retary may require the State educational agency
25 to recover funds from the local educational



1 agency that would otherwise be paid to the
2 school food authority or local educational agen-
3 cy for school meals programs under procedures
4 prescribed by the Secretary.

5 “(B) AMOUNT.—The amount of funds re-
6 covered under subparagraph (A) shall equal the
7 value of any overpayments made to the school
8 food authority or local educational agency as a
9 result of an erroneous claim during the time pe-
10 riod described in subparagraph (C).

11 “(C) TIME PERIOD.—The period for deter-
12 mining the value of any such overpayments
13 under subparagraph (B) shall be the period—

14 “(i) beginning on the date the erro-
15 neous claim was made; and

16 “(ii) ending on the earlier of the date
17 the erroneous claim is corrected or—

18 “(I) in the case of the first re-
19 view conducted by the State edu-
20 cational agency of the local edu-
21 cational agency under this section
22 after July 1, 2005, the date that is 60
23 days after the beginning of the period
24 under clause (i); or



1 “(II) in the case of any subse-
2 quent review conducted by the State
3 educational agency of the local edu-
4 cational agency under this section, the
5 date that is 90 days after the begin-
6 ning of the period under clause (i).

7 “(5) USE OF RECOVERED FUNDS.—

8 “(A) IN GENERAL.—Subject to subpara-
9 graph (B), funds recovered under paragraph
10 (4) shall—

11 “(i) be returned to the Secretary
12 under procedures established by the Sec-
13 retary, and may be used—

14 “(I) to provide training and tech-
15 nical assistance related to administra-
16 tive practices designed to improve pro-
17 gram integrity and administrative ac-
18 curacy in school meals programs (in-
19 cluding administrative requirements
20 established by the Child Nutrition Im-
21 provement and Integrity Act and
22 amendments made by that Act) to
23 State educational agencies and, to the
24 extent determined by the Secretary, to



1 school food authorities and local edu-
2 cational agencies;

3 “(II) to assist State educational
4 agencies in reviewing the administra-
5 tive practices of school food authori-
6 ties, to the extent determined by the
7 Secretary; and

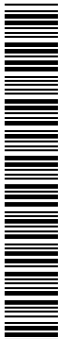
8 “(III) to carry out section 21(e);
9 or

10 “(ii) be credited to the child nutrition
11 programs appropriation account.

12 “(B) STATE SHARE.—Subject to subpara-
13 graph (C), a State educational agency may re-
14 tain not more than 25 percent of an amount re-
15 covered under paragraph (4), to carry out
16 school meals program integrity initiatives to as-
17 sist school food authorities and local edu-
18 cational agencies that have repeatedly failed (as
19 determined by the Secretary) to meet adminis-
20 trative performance criteria.

21 “(C) REQUIREMENT.—To be eligible to re-
22 tain funds under subparagraph (B), a State
23 educational agency shall—

24 “(i) submit to the Secretary a plan
25 describing how the State educational agen-



1 cy will use the funds to improve school
2 meals program integrity, including meas-
3 ures to give priority to school food authori-
4 ties and local educational agencies from
5 which funds were retained under para-
6 graph (4); and

7 “(ii) obtain the approval of the Sec-
8 retary for the plan.”.

9 (c) TRAINING AND TECHNICAL ASSISTANCE.—Sec-
10 tion 7 of the Child Nutrition Act of 1966 (42 U.S.C.
11 1776) is amended—

12 (1) in subsection (e)—

13 (A) by striking “(e) Each” and inserting
14 the following:

15 “(e) PLANS FOR USE OF ADMINISTRATIVE EXPENSE
16 FUNDS.—

17 “(1) IN GENERAL.—Each”; and

18 (B) by striking “After submitting” and all
19 that follows through “change in the plan”, and
20 inserting the following:

21 “(2) UPDATES AND INFORMATION MANAGE-
22 MENT SYSTEMS.—After submitting the initial plan, a
23 State shall be required to submit to the Secretary
24 for approval only a substantive change in the plan.
25 Each State plan shall at a minimum include a de-



1 scription of how technology and information man-
2 agement systems will be used to improve program
3 integrity by—

4 “(A) monitoring the nutrient content of
5 meals served;

6 “(B) training schools and school food au-
7 thorities how to utilize technology and informa-
8 tion management systems for activities such as
9 menu planning, collecting point of sale data,
10 processing applications for free and reduced
11 price meals and verifying eligibility for free and
12 reduced price meals using existing databases to
13 access program participation or income data
14 collected by State or local educational agencies;
15 and

16 “(C) using electronic data to establish
17 benchmarks to compare and monitor program
18 integrity, program participation, and financial
19 data across schools and school food authorities.

20 “(3) TRAINING AND TECHNICAL ASSISTANCE.—

21 Each State shall submit to the Secretary for ap-
22 proval a plan describing the manner in which the
23 State intends to implement subsection (g) and sec-
24 tion 22(b)(3) of the Richard B. Russell National



1 School Lunch Act (as added by section 208 of the
2 Child Nutrition Improvement and Integrity Act).”;

3 (2) by redesignating subsection (g) as sub-
4 section (i); and

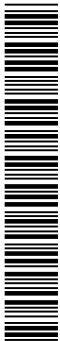
5 (3) by inserting after subsection (f) the fol-
6 lowing:

7 “(g) STATE TRAINING.—

8 “(1) IN GENERAL.—At least annually, each
9 State shall provide training in administrative prac-
10 tices (including training in application, certification,
11 verification, meal counting, and meal claiming proce-
12 dures) to school food authority administrative per-
13 sonnel and other appropriate personnel, with empha-
14 sis on the requirements established by the Child Nu-
15 trition Improvement and Integrity Act and the
16 amendments made by that Act.

17 “(2) FEDERAL ROLE.—The Secretary shall—

18 “(A) provide training and technical assist-
19 ance (including training materials and informa-
20 tion developed under subsections (e) and (f) of
21 section 21 of the Richard B. Russell National
22 School Lunch Act (42 U.S.C. 1769b-1)) to a
23 State to assist the State in carrying out para-
24 graph (1); or



1 “(B) at the option of the Secretary, di-
2 rectly provide training and technical assistance
3 described in paragraph (1).

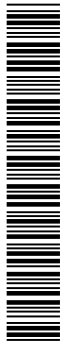
4 “(3) THIRD-PARTY CONTRACTING.—In carrying
5 out this subsection, the Secretary or a State may
6 contract with a third party under procedures estab-
7 lished by the Secretary.

8 “(4) REQUIRED PARTICIPATION.—Under proce-
9 dures established by the Secretary that consider the
10 various needs and circumstances of school food au-
11 thorities, each school food authority or local edu-
12 cational agency shall ensure that an individual con-
13 ducting or overseeing administrative procedures de-
14 scribed in paragraph (1) receives training at least
15 annually, unless determined otherwise by the Sec-
16 retary.

17 “(h) FUNDING FOR TRAINING AND ADMINISTRATIVE
18 REVIEWS.—

19 “(1) FUNDING.—

20 “(A) IN GENERAL.—On October 1, 2004,
21 and on each October 1 thereafter, out of any
22 funds in the Treasury not otherwise appro-
23 priated, the Secretary of the Treasury shall
24 transfer to the Secretary of Agriculture to carry



1 out this subsection \$4,000,000, to remain avail-
2 able until expended.

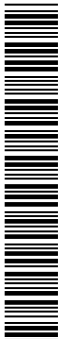
3 “(B) RECEIPT AND ACCEPTANCE.—The
4 Secretary shall be entitled to receive, shall ac-
5 cept, and shall use to carry out this subsection
6 the funds transferred under subparagraph (A),
7 without further appropriation.

8 “(2) USE OF FUNDS.—

9 “(A) IN GENERAL.—Except as provided in
10 subparagraph (B), the Secretary shall use
11 funds provided under this subsection to assist
12 States in carrying out subsection (g) and ad-
13 ministrative reviews of selected school food au-
14 thorities and local educational agencies under
15 section 22(b)(3) of the Richard B. Russell Na-
16 tional School Lunch Act (42 U.S.C.
17 1769c(b)(3)).

18 “(B) EXCEPTION.—The Secretary may re-
19 tain a portion of the amount provided to cover
20 costs of activities carried out by the Secretary
21 in lieu of the State.

22 “(3) ALLOCATION.—The Secretary shall allo-
23 cate funds provided in this subsection to States
24 based on the number of local educational agencies
25 that have demonstrated a high level of or a high risk



1 for administrative error, as determined by the Sec-
2 retary, taking into account the requirements estab-
3 lished by the Child Nutrition Improvement and In-
4 tegrity Act and the amendments made by that Act.

5 “(4) REALLOCATION.—The Secretary may re-
6 allocate, to carry out this section, any amounts made
7 available to carry out this subsection that are not
8 obligated or expended, as determined by the Sec-
9 retary.”.

10 **TITLE III—PROMOTING NUTRI-**
11 **TION QUALITY AND PRE-**
12 **VENTING CHILDHOOD OBE-**
13 **SITY**

14 **SEC. 301. LOCAL SCHOOL WELLNESS POLICY.**

15 Not later than the first day of the school year begin-
16 ning after June 30, 2006, local educational agencies par-
17 ticipating in the programs authorized by the Richard B.
18 Russell National School Lunch Act (42 U.S.C. 1751 et
19 seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771
20 et seq.) shall establish a local school wellness policy for
21 such local agency that at a minimum—

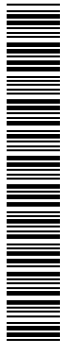
22 (1) includes goals for nutrition education, phys-
23 ical activity and other school-based activities de-
24 signed to promote student wellness that the local
25 educational agency determines are appropriate;



1 (2) includes nutrition guidelines selected by the
2 local educational agencies for all foods available on
3 school campus during the school day with the objec-
4 tive of promoting student health and reducing child-
5 hood obesity, which guidelines shall not be less re-
6 strictive than regulations and guidance issued by the
7 Secretary pursuant to section 10(a) and (b) of the
8 Child Nutrition Act (42 U.S.C. 1779(a) and (b))
9 and section 9(f)(1) and section 17(a) of the Richard
10 B. Russell National School Lunch Act (42 U.S.C.
11 1758(f)(1) and 1766(a)), as those regulations and
12 guidance apply to schools;

13 (4) establishes a plan for ensuring implementa-
14 tion of the local wellness policy, including designa-
15 tion of a person or persons within the local edu-
16 cational agency, or at each school as appropriate,
17 charged with operational responsibility for ensuring
18 that such school meets the local wellness policy; and

19 (5) involves parents, students, representatives
20 of the school food authority, the school board, school
21 administrators, and public in the development of the
22 school wellness policy.



1 **SEC. 302. SUPPORTING NUTRITION EDUCATION, IMPROV-**
2 **ING MEAL QUALITY, AND ACCESS TO LOCAL**
3 **FOODS.**

4 Section 19 of the Child Nutrition Act of 1966 (42
5 U.S.C. 1788) is amended—

6 (1) by amending subsection (b) to read as fol-
7 lows:

8 “(b) PURPOSE.—It is the purpose of this section to
9 support effective nutrition education through assistance to
10 State agencies, schools, and nonprofit entities for Team
11 Nutrition and other nutrition education projects that im-
12 prove student understanding of healthful eating patterns,
13 including an awareness and understanding of the Dietary
14 Guidelines for Americans, the quality of school meals and
15 access to local foods in schools and institutions operating
16 programs under the Richard B. Russell National School
17 Lunch Act (42 U.S.C. 1751 et seq.) and section 4 of this
18 Act.”;

19 (2) by striking subsections (c) through (h) and
20 inserting after subsection (b) the following:

21 “(c) TEAM NUTRITION NETWORK.—

22 “(1) PURPOSE.—The purpose of the Team Nu-
23 trition Network is to—

24 “(A) promote the nutritional health of the
25 Nation’s school children through nutrition edu-
26 cation, physical activity and other activities that



1 support healthy lifestyles for children based on
2 the Dietary Guidelines for Americans, issued
3 jointly by the Secretary of Agriculture and the
4 Secretary of Health and Human Services, and
5 the physical fitness guidelines issued by the
6 Secretary of Health and Human Services;

7 “(B) provide assistance to States for the
8 development of State-wide, comprehensive, and
9 integrated nutrition education and physical fit-
10 ness programs; and

11 “(C) provide training and technical assist-
12 ance to States, school and community nutrition
13 programs, and child nutrition food service pro-
14 fessionals.

15 “(2) STATE COORDINATOR.—The State Team
16 Nutrition Network Coordinator shall—

17 “(A) administer and coordinate a com-
18 prehensive integrated statewide nutrition edu-
19 cation program; and

20 “(B) coordinate efforts with the Food and
21 Nutrition Service and State agencies respon-
22 sible for children’s health programs.

23 “(3) TEAM NUTRITION NETWORK.—Subject to
24 the availability or appropriations to carry out this
25 subsection, the Secretary, in consultation with the



1 Secretary of Education, shall, on a competitive basis,
2 provide assistance to States for the purpose of cre-
3 ating model nutrition education and physical activity
4 programs, consistent with current dietary and fit-
5 ness guidelines, for students in elementary schools
6 and secondary schools.

7 “(4) REQUIREMENTS FOR STATE PARTICIPA-
8 TION.—To be eligible to receive assistance under this
9 subsection, a State Coordinator shall submit an ap-
10 plication to the Secretary at such time, and in such
11 manner, and containing such information as the Sec-
12 retary may require, including—

13 “(A) a description of how the proposed nu-
14 trition and physical activity program will pro-
15 mote healthy eating and physical activity and
16 fitness and address the health and social con-
17 sequences of children who are at risk of becom-
18 ing overweight or obese;

19 “(B) information describing how nutrition
20 activities are to be coordinated at the State
21 level with other health activities conducted by
22 education, health and agriculture agencies;

23 “(C) information describing how initiatives
24 to promote physical activity are to be coordi-
25 nated at the State level with other initiatives to



1 promote physical activity conducted by edu-
2 cation, health, and parks and recreation agen-
3 cies;

4 “(D) a description of the consultative proc-
5 ess that the State Coordinator employed in the
6 development of the model nutrition and physical
7 activity programs, including consultations with
8 individuals and organizations with expertise in
9 promoting public health, nutrition, or physical
10 activity, and organizations representing the ag-
11 riculture, food and beverage, fitness, and sports
12 and recreation industries;

13 “(E) a description of how the State Coor-
14 dinator will evaluate the effectiveness of its pro-
15 gram; and

16 “(F) a description of how any and all com-
17 munications to parents and guardians of all
18 students who are members of a household re-
19 ceiving or applying for assistance under the
20 program shall be in an understandable and uni-
21 form format, and, to the extent practicable, in
22 a language that parents can understand.

23 “(5) DURATION.—Subject to the availability of
24 funds made available to carry out this subsection, a



1 State Coordinator shall conduct the project for a pe-
2 riod of 3 successive school years.

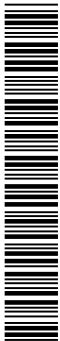
3 “(6) AUTHORIZED ACTIVITIES.—An eligible ap-
4 plicant that receives assistance under this subsection
5 may use funds to carry out one or more of the fol-
6 lowing activities—

7 “(A) collecting, analyzing, and dissemi-
8 nating data regarding the extent to which chil-
9 dren and youth in the State are overweight or
10 physically inactive and the programs and serv-
11 ices available to meet those needs;

12 “(B) developing and implementing model
13 elementary and secondary education curricula
14 to create a comprehensive, coordinated nutrition
15 and physical fitness awareness and obesity pre-
16 vention program;

17 “(C) developing and implementing pilot
18 programs in schools to increase physical activity
19 and to enhance the nutritional status of stu-
20 dents, including through the increased con-
21 sumption of fruits and vegetables, whole grains,
22 and lowfat dairy products;

23 “(D) developing and implementing State
24 guidelines in health, which include nutrition
25 education, and physical education and empha-



1 size regular physical activity during school
2 hours;

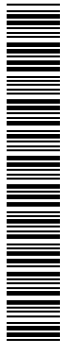
3 “(E) collaborating with community based
4 organizations, volunteer organizations, State
5 medical associations, and public health groups
6 to develop and implement nutrition and physical
7 education programs targeting lower income chil-
8 dren, ethnic minorities, and youth at a greater
9 risk for obesity;

10 “(F) collaborating with public or private
11 organizations that have as a mission the raising
12 of public awareness of the importance of a bal-
13 anced diet and an active lifestyle; and

14 “(G) providing training and technical as-
15 sistance to teachers and school food service pro-
16 fessionals consistent with the purpose of this
17 section.

18 “(7) LIMITATION.—Materials prepared under
19 this subsection regarding agricultural commodities,
20 food, or beverages must be factual and without bias.

21 “(8) REPORT.—Within 18 months of comple-
22 tion of the projects and the evaluations, the Sec-
23 retary shall submit to the Committee on Education
24 and the Workforce of the House of Representatives
25 and the Committee on Health, Education, Labor,



1 and Pensions of the Senate and the Committee on
2 Agriculture, Nutrition and Forestry of the Senate a
3 report describing the results of the evaluation of the
4 demonstration programs and shall make such re-
5 ports available to the public, including through the
6 Internet.

7 “(9) INDEPENDENT EVALUATION.—

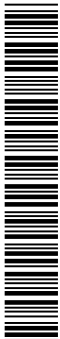
8 “(A) IN GENERAL.—The Secretary shall
9 enter into an agreement with an independent,
10 non-partisan science-based research organiza-
11 tion to conduct a comprehensive independent
12 evaluation of the effectiveness of the Team Nu-
13 trition initiative and the Team Nutrition Net-
14 work authorized by this subsection and to iden-
15 tify best practices in—

16 “(i) improving student understanding
17 of healthful eating patterns;

18 “(ii) engaging students in regular
19 physical activity and improving physical
20 fitness;

21 “(iii) reducing diabetes and obesity
22 rates in school children;

23 “(iv) improving student nutrition be-
24 haviors on the school campus including
25 healthier meal choices evidenced by greater



1 inclusion of fruits, vegetables, whole
2 grains, and lean dairy and protein in meal
3 and snack selections;

4 “(v) providing training and technical
5 assistance for food service professionals re-
6 sulting in the availability of healthy meals
7 that appeal to ethnic and cultural taste
8 preferences;

9 “(vi) linking meals programs to nutri-
10 tion education activities; and

11 “(vii) successfully involving school ad-
12 ministrators, the private sector, public
13 health agencies, non-profit organizations,
14 and other community partners.

15 “(B) REPORT.—Not later than October 1,
16 2007, the Secretary shall transmit the findings
17 of the independent evaluation to the Committee
18 on Education and the Workforce of the House
19 of Representatives, the Committee on Health,
20 Education, Labor, and Pensions and the Com-
21 mittee on Agriculture, Nutrition, and Forestry
22 of the Senate.

23 “(d) LOCAL NUTRITION AND PHYSICAL ACTIVITY
24 PROJECT.—



1 “(1) IN GENERAL.—Subject to the availability
2 of appropriations to carry out this subsection, the
3 Secretary, in consultation with the Secretary of Edu-
4 cation, shall provide assistance to not more than 100
5 local educational agencies, at least one per State, for
6 the establishment of pilot projects for purposes of
7 promoting healthy eating habits and increasing
8 physical activity, consistent with the Dietary Guide-
9 lines for Americans issued jointly by the Secretary
10 of Agriculture and the Secretary of Health and
11 Human Services, among elementary and secondary
12 education students.

13 “(2) REQUIREMENT FOR PARTICIPATION IN
14 PILOT PROJECT.—To be eligible to receive assistance
15 under this subsection, a local educational agency
16 shall, in consultation with individuals who possess
17 education or experience appropriate for representing
18 the general field of public health, including nutrition
19 and fitness professionals, submit to the Secretary an
20 application that shall include—

21 “(A) a description of the local educational
22 agency’s need for nutrition and physical activity
23 programs;

24 “(B) a description of how the proposed
25 project will improve health and nutrition



1 through education and increased access to phys-
2 ical activity;

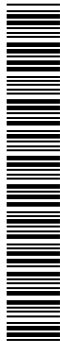
3 “(C) a description of how funds under this
4 subsection will be coordinated with other pro-
5 grams under this Act, the Richard B. Russell
6 National School Lunch Act, or other Acts, as
7 appropriate, to improve student health and nu-
8 trition;

9 “(D) a statement of the local educational
10 agency’s measurable goals for nutrition and
11 physical education programs and promotion;

12 “(E) a description of how the proposed
13 project will be aligned with the local wellness
14 policy required under the Act;

15 “(F) a description of the procedures the
16 agency will use for assessing and publicly re-
17 porting progress toward meeting those goals;
18 and

19 “(G) a description of how communications
20 to parents and guardians of participating stu-
21 dents regarding the activities under this sub-
22 section shall be in an understandable and uni-
23 form format, and, to the extent practicable, in
24 a language that parents can understand.



1 “(3) DURATION.—Subject to the availability of
2 funds made available to carry out this subsection, a
3 local educational agency receiving assistance under
4 this subsection shall conduct the project during a pe-
5 riod of 3 successive school years.

6 “(4) AUTHORIZED ACTIVITIES.—An eligible ap-
7 plicant that receives assistance under this
8 subsection—

9 “(A) shall use funds provided to—

10 “(i) promote healthy eating through
11 the development and implementation of nu-
12 trition education programs and curricula
13 based on the Dietary Guidelines for Ameri-
14 cans; and

15 “(ii) increase opportunities for phys-
16 ical activity through after school programs,
17 athletics, intramural activities, and recess;
18 and

19 “(B) may use funds provided to—

20 “(i) educate parents and students
21 about the relationship of a poor diet and
22 inactivity to obesity and other health prob-
23 lems;



1 “(ii) develop and implement physical
2 education programs that promote fitness
3 and lifelong activity;

4 “(iii) provide training and technical
5 assistance to food service professionals to
6 develop nutritious, more appealing menus
7 and recipes;

8 “(iv) incorporate nutrition education
9 into physical education, health education,
10 and after school programs, including ath-
11 letics;

12 “(v) involve parents, nutrition profes-
13 sionals, food service staff, educators, com-
14 munity leaders, and other interested par-
15 ties in assessing the food options in the
16 school environment and developing and im-
17 plementing an action plan to promote a
18 balanced and healthy diet;

19 “(vi) provide nutrient content or nu-
20 trition information on meals served
21 through the school lunch or school break-
22 fast programs and items sold a la carte
23 during meal times;

24 “(vii) encourage the increased con-
25 sumption of a variety of healthy foods



1 through new initiatives such as salad bars
2 and fruit bars; and

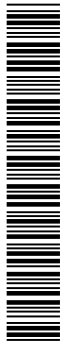
3 “(viii) provide nutrition education, in-
4 cluding sports nutrition education, for
5 teachers, coaches, food service staff, ath-
6 letic trainers, and school nurses.

7 “(5) LIMITATION.—Materials prepared under
8 this subsection regarding agricultural commodities,
9 food, or beverages must be factual and without bias.

10 “(6) REPORT.—Within 18 months of comple-
11 tion of the projects and evaluations, the Secretary
12 shall transmit to the Committee on Education and
13 the Workforce of the House of Representatives and
14 the Committee on Health, Education, Labor, and
15 Pensions and the Committee on Agriculture, Nutri-
16 tion and Forestry of the Senate a report describing
17 the results of the evaluation of the pilot projects and
18 shall make such reports available to the public, in-
19 cluding through the Internet.

20 “(e) NUTRITION EDUCATION SUPPORT.—

21 “(1) IN GENERAL.—In carrying out the purpose
22 of this section to support nutrition education, the
23 Secretary may provide for technical assistance and
24 grants to improve the quality of school meals and
25 access to local foods in schools and institutions.



1 “(2) SCHOOL MEALS INITIATIVE.—The Sec-
2 retary may provide assistance to enable State edu-
3 cational agencies to—

4 “(A) implement the recommendations of
5 the Secretary’s School Meals Initiative for
6 Healthy Children;

7 “(B) increase the consumption of fruits,
8 vegetables, low-fat dairy products, and whole
9 grains;

10 “(C) reduce saturated fat and sodium in
11 school meals;

12 “(D) improve school nutritional environ-
13 ments; and

14 “(E) conduct other activities that aid
15 schools in carrying out the Secretary’s School
16 Meals Initiative for Healthy Children.

17 “(3) ACCESS TO LOCAL FOODS.—The Secretary
18 may provide assistance, through competitive match-
19 ing grants and technical assistance, to schools and
20 nonprofit entities for projects that—

21 “(A) improve access to local foods in
22 schools and institutions participating in pro-
23 grams under the Richard B. Russell National
24 School Lunch Act (42 U.S.C. 1751 et seq.) and
25 Section 4 of this Act through farm-to-cafeteria



1 activities that may include the acquisition of
2 food and appropriate equipment and the provi-
3 sion of training and education;

4 “(B) are, at a minimum, designed to pro-
5 cure local foods from small- and medium-sized
6 farms for school meals;

7 “(C) support nutrition education activities
8 or curriculum planning that incorporates the
9 participation of schoolchildren in farm and agri-
10 culture education activities;

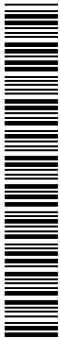
11 “(D) develop a sustained commitment to
12 farm-to-cafeteria projects in the community by
13 linking schools, agricultural producers, parents,
14 and other community stakeholders;

15 “(E) require \$100,000 or less in Federal
16 contributions;

17 “(F) require a Federal share of costs not
18 to exceed 75 percent;

19 “(G) provide matching support in the form
20 of cash or in kind contributions (including fa-
21 cilities, equipment, or services provided by State
22 and local governments and private sources); and

23 “(H) cooperate in an evaluation to be car-
24 ried out by the Secretary.”; and



1 (3) by redesignating subsection (i) as subsection
2 (f), and amending paragraph (1) of such subsection
3 to read as follows:

4 “(1) IN GENERAL.—There is authorized to be
5 appropriated such sums as may be necessary for car-
6 rying out this section for fiscal years 2004 through
7 2008.”.

8 **SEC. 303. FRUITS AND VEGETABLE COMMODITIES.**

9 Section 6(c)(1)(D) of the Richard B. Russell Na-
10 tional School Lunch Act (42 U.S.C. 1755(c)(1)(D)) is
11 amended by inserting “, and fruits and vegetables” before
12 the period.

13 **SEC. 304. FLUID MILK.**

14 Section 9(a)(2) of the Richard B. Russell National
15 School Lunch Act (42 U.S.C. 1758(a)(2)) is amended to
16 read as follows:

17 “(2) FLUID MILK.—

18 “(A) IN GENERAL.—Lunches served by
19 schools participating in the school lunch pro-
20 gram under this Act—

21 “(i) shall offer students fluid milk in
22 a variety of fat contents;

23 “(ii) may offer students flavored and
24 unflavored fluid milk and lactose-free fluid
25 milk; and

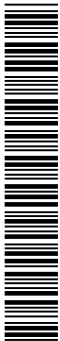


1 “(iii) shall provide a substitute for
2 fluid milk for students whose disability re-
3 stricts their diet, upon receipt of a written
4 statement from a licensed physician that
5 identifies the disability that restricts the
6 student’s diet and that specifies the sub-
7 stitute for fluid milk.

8 “(B) SUBSTITUTES.—

9 “(i) STANDARDS FOR SUBSTI-
10 TUTION.—Schools may substitute for the
11 fluid milk provided under subparagraph
12 (A), a non-dairy beverage that is nutrition-
13 ally equivalent to fluid milk and meets nu-
14 tritional standards as established by the
15 Secretary (which shall, among other re-
16 quirements to be determined by the Sec-
17 retary, include fortification of calcium, pro-
18 tein, vitamin A, and vitamin D to levels
19 found in cow’s milk) for students who can-
20 not consume fluid milk because of a med-
21 ical or other special dietary need other
22 than a disability described in subparagraph
23 (A)(iii).

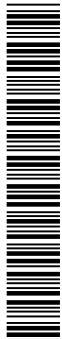
24 “(ii) NOTICE.—Such substitutions
25 may be made if the school notifies the



1 State agency that it is implementing a var-
2 iation allowed under this subparagraph,
3 and if such substitution is requested by
4 written statement of a medical authority or
5 by a student's parent or legal guardian
6 that identifies the medical or other special
7 dietary need that restricts the student's
8 diet, provided that the school shall not be
9 required to provide beverages other than
10 those it has identified as acceptable sub-
11 stitutes.

12 “(iii) EXCESS EXPENSES BORNE BY
13 THE SCHOOL DISTRICT.—Expenses in-
14 curred in providing substitutions pursuant
15 to this subparagraph that are in excess of
16 those covered by reimbursements under
17 this Act shall be paid by the school dis-
18 trict.

19 “(C) RESTRICTIONS ON SALE OF MILK
20 PROHIBITED.—A school or institution that par-
21 ticipates in the school lunch program under this
22 Act shall not directly or indirectly restrict the
23 sale or marketing of fluid milk products by the
24 school (or by a person approved by the school)
25 at any time or any place—



1 “(i) on the school premises; or

2 “(ii) at any school-sponsored event.”.

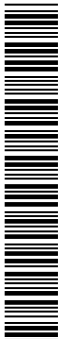
3 **SEC. 305. WAIVER OF REQUIREMENTS FOR WEIGHTED**
4 **AVERAGES FOR NUTRIENT ANALYSIS.**

5 Section 9(f)(5) of the Richard B. Russell National
6 School Lunch Act (42 U.S.C 1758(f)(5)) is amended to
7 read as follows:

8 “(5) WAIVER OF REQUIREMENTS FOR WEIGHT-
9 ED AVERAGES FOR NUTRIENT ANALYSIS.—State
10 educational agencies may grant waivers to school
11 food authorities to the requirement for weighted
12 averages for nutrient analysis of menu items and
13 foods offered or served as part of a meal offered or
14 served under the school lunch program under this
15 Act or the school breakfast program under section 4
16 of the Child Nutrition Act of 1966 (42 U.S.C. 1773)
17 if—

18 “(A) the school food authority has an
19 equivalent system for conducting a nutrient
20 analysis, subject to State agency approval; and

21 “(B) the equivalent system adequately doc-
22 uments the extent to which the school food au-
23 thority is meeting the Dietary Guidelines for
24 Americans and other nutrition standards.



1 In addition, the Secretary may waive, on a case by
2 case basis, the requirement for a State agency to use
3 weighted averages when conducting a nutrient anal-
4 ysis as part of a review (of compliance with the Die-
5 tary Guidelines and other nutrition standards) of a
6 school food authority not using nutrient standard
7 menu planning, when, in the Secretary's determina-
8 tion, an alternative analysis would yield results that
9 would adequately measure a school food authority's
10 compliance with current nutrition standards for
11 school meals."

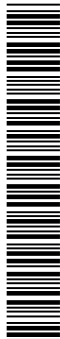
12 **SEC. 306. WHOLE GRAINS.**

13 Not later than 18 months after the date of enactment
14 of this Act, the Secretary shall promulgate rules, based
15 on Federal nutrition guidelines, to increase the presence
16 of whole grains in foods offered in school nutrition pro-
17 grams under the Richard B. Russell National School
18 Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutri-
19 tion Act of 1966 (42 U.S.C. 1771 et seq.).

20 **TITLE IV—IMPROVING THE**
21 **WOMEN, INFANTS, AND CHIL-**
22 **DREN PROGRAM**

23 **SEC. 401. DEFINITION OF NUTRITION EDUCATION.**

24 Section 17(b)(7) of the Child Nutrition Act of 1966
25 (42 U.S.C. 1786(b)(7)) is amended—



1 (1) by inserting “and physical activity,” after
2 “dietary habits”; and

3 (2) by striking “nutrition and health” and in-
4 serting “nutrition, health, and child development”.

5 **SEC. 402. DEFINITION OF SUPPLEMENTAL FOODS.**

6 Section 17(b)(14) of the Child Nutrition Act of 1966
7 (42 U.S.C. 1786(b)(14)) is amended by inserting after
8 “children” the following: “and foods that promote health
9 as indicated in the most recent Dietary Guidelines for
10 Americans published under section 301 of the National
11 Nutrition Monitoring and Related Research Act of 1990
12 (7 U.S.C. 5341)”.

13 **SEC. 403. IMPROVING CERTIFICATION.**

14 (a) CERTIFICATION OF WOMEN WHO ARE
15 BREASTFEEDING.—Section 17(d)(3)(A) of the Child Nu-
16 trition Act of 1966 (42 U.S.C. 1786(d)(3)(A)) is amended
17 by adding at the end the following: “A State may certify
18 breast-feeding women for up to 1 year, or until women
19 stop breast-feeding, whichever is earlier.”

20 (b) PHYSICAL PRESENCE REQUIREMENT.—Section
21 17(d)(3)(C)(ii) of the Child Nutrition Act of 1966 (42
22 U.S.C. 1786(d)(3)(C)(ii)) is amended—

23 (1) in subclause (I)(bb), by striking “from a
24 provider other than the local agency; or” and insert-
25 ing a semicolon;



1 (2) in subclause (II)(cc), by striking the period
2 at the end and inserting “; and”; and

3 (3) by inserting after subclause (II) the fol-
4 lowing:

5 “(III) an infant under 8 weeks of
6 age—

7 “(aa) who cannot be present
8 at certification for a reason de-
9 termined appropriate by the local
10 agency; and

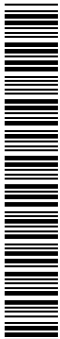
11 “(bb) for whom all necessary
12 certification information is pro-
13 vided.”.

14 (c) PROCESSING APPLICATIONS UNDER SPECIAL
15 CIRCUMSTANCES.—Section 17(f)(1)(C) of the Child Nu-
16 trition Act of 1966 (42 U.S.C. 1786(f)(1)(C)) is amended
17 by—

18 (1) redesignating clauses (ix) and (x) as clauses
19 (x) and (xi), respectively; and

20 (2) inserting after clause (viii) the following:

21 “(ix) procedures whereby a State
22 agency may accept and process vendor ap-
23 plications outside of the established time-
24 frames, such as in situations in which a
25 previously authorized vendor changes own-



1 ership under circumstances that do not
2 permit timely notification to the State
3 agency of such change in ownership;”.

4 (d) RESCHEDULING POLICIES.—Section 17(f)(19) of
5 the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(19))
6 is amended—

7 (1) in subparagraph (A), by striking “; and”
8 and inserting a semicolon;

9 (2) in subparagraph (B), by striking the period
10 and inserting “; and”; and

11 (3) by adding at the end the following:

12 “(C) require local agencies to permit an appli-
13 cant or participant to reschedule an appointment to
14 apply or be recertified for the program.”.

15 **SEC. 404. REVIEWS OF AVAILABLE SUPPLEMENTAL FOODS.**

16 (a) SCIENTIFIC REVIEW.—Section 17(f)(11) of the
17 Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(11)) is
18 amended to read as follows:

19 “(11)(A) The Secretary shall prescribe by regulations
20 the supplemental foods to be made available in the pro-
21 gram under this section. To the degree possible the Sec-
22 retary shall assure that the fat, sugar, and salt content
23 of the prescribed foods is appropriate.

24 “(B) Beginning in 2013 and every 10 years there-
25 after, or more frequently if determined by the Secretary



1 to be necessary to reflect current scientific knowledge, the
2 Secretary shall conduct a scientific review of the supple-
3 mental foods available in the program and recommend, as
4 necessary, changes to reflect nutrition science, current
5 public health concerns, and cultural eating patterns.”.

6 (b) RULEMAKING.—The Secretary shall promulgate
7 a rule updating the prescribed supplemental foods avail-
8 able through the program authorized under section 17 of
9 the Child Nutrition Act of 1966 (42 U.S.C. 1786) within
10 6 months of receiving the review of the food package for
11 such program undertaken by the National Academy of
12 Sciences, Institute of Medicine in September 2003.

13 **SEC. 405. NOTIFICATION OF VIOLATIONS AND INFANT FOR-**
14 **MULA BENEFITS.**

15 Section 17(f) of the Child Nutrition Act of 1966 (42
16 U.S.C. 1786(f)) is amended by adding at the end the fol-
17 lowing:

18 “(25) NOTIFICATION OF VIOLATIONS.—If a
19 State agency finds that a vendor has committed a
20 violation that requires a pattern of occurrences in
21 order to impose a sanction, the State agency shall
22 notify the vendor of the initial violation in writing
23 prior to documentation of another violation, unless
24 the State agency determines that notifying the ven-
25 dor would compromise its investigation.



1 “(26) INFANT FORMULA BENEFITS.—

2 “(A) IN GENERAL.—The State agency may
3 round up to the next whole can of infant for-
4 mula to ensure that all infants receive the full-
5 authorized nutritional benefit specified by regu-
6 lation.

7 “(B) LIMITATION.—Subparagraph (A) ap-
8 plies only to infant formula contracts awarded
9 under bid solicitations made on or after October
10 1, 2004.”.

11 **SEC. 406. HEALTHY PEOPLE 2010 INITIATIVE.**

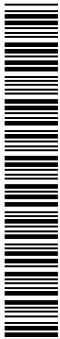
12 Section 17(h)(4) of the Child Nutrition Act of 1966
13 (42 U.S.C. 1786(h)(4)) is amended—

14 (1) in subparagraph (D), by striking “; and”
15 and inserting a semicolon;

16 (2) in subparagraph (E), by striking the period
17 at the end and inserting “; and”; and

18 (3) by inserting after subparagraph (E) the fol-
19 lowing:

20 “(F) partner with communities, State and
21 local agencies, employers, health care profes-
22 sionals, and the private sector to build a sup-
23 portive breastfeeding environment for women
24 participating in the program under this section



1 to support the breastfeeding goals of the
2 Healthy People 2010 initiative.”.

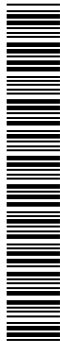
3 **SEC. 407. COMPETITIVE BIDDING.**

4 Section 17(h)(8)(A) of the Child Nutrition Act of
5 1966 (42 U.S.C. 1786(h)(8)(A)) is amended by adding at
6 the end the following:

7 “(iv) REBATE INVOICES.—Each State
8 agency shall have a system to ensure that
9 infant formula rebate invoices, under com-
10 petitive bidding, provide a reasonable esti-
11 mate or an actual count of the number of
12 units sold to participants in the program
13 under this section.

14 “(v) CENT-FOR-CENT ADJUST-
15 MENTS.—A bid solicitation for infant for-
16 mula under the program made on or after
17 October 1, 2004 shall require the manufac-
18 turer to adjust for price changes subse-
19 quent to the opening of the bidding process
20 in a manner that requires—

21 “(I) a cent-for-cent increase in
22 the rebate amounts if there is an in-
23 crease in the lowest national wholesale
24 price for a full truckload of the par-
25 ticular infant formula; or



1 “(II) a cent-for-cent decrease in
2 the rebate amounts if there is a de-
3 crease in the lowest national wholesale
4 price for a full truckload of the par-
5 ticular infant formula.”.

6 **SEC. 408. FRUIT AND VEGETABLE PROJECTS.**

7 Section 17(h)(10)(B)(ii) of the Child Nutrition Act
8 of 1966 (42 U.S.C. 1786(h)(10)(B)(ii)) is amended by in-
9 serting after “under this section” the following: “, which
10 may include demonstration projects in up to 10 local sites,
11 determined to be geographically and culturally representa-
12 tive of local States and Indian agencies, to evaluate the
13 inclusion of fresh, frozen, or canned fruits and vegetables
14 (to be made available through private funds) as an addi-
15 tion to the supplemental food provided under this section”.

16 **SEC. 409. MANAGEMENT INFORMATION SYSTEMS.**

17 Section 17(h)(12) of the Child Nutrition Act of 1996
18 (42 U.S.C. 1786(h)(12)) is amended—

19 (1) by amending subparagraph (B) to read as
20 follows:

21 “(B) ELECTRONIC BENEFIT TRANSFER
22 SYSTEMS.—

23 “(i) IN GENERAL.—All States that re-
24 ceive Federal funds for design or imple-
25 mentation of electronic benefit transfer



1 (EBT) systems for the program under this
2 section shall use technical specifications or
3 standards, as applicable, as determined by
4 the Secretary, except as provided in clause
5 (ii).

6 “(ii) EXISTING SYSTEMS.—EBT sys-
7 tems for the program under this section
8 that are in development or are issuing ben-
9 efits as of the date of enactment shall be
10 required to submit within 6 months after
11 the date of enactment of this subparagraph
12 a plan for compliance.

13 “(iii) WAIVER.—The Secretary may
14 waive compliance with this subparagraph
15 for State EBT systems for the program
16 under this section that are issuing benefits
17 as of the date of enactment of this sub-
18 paragraph until such time that compliance
19 is feasible.”; and

20 (2) by amended subparagraph (C) to read as
21 follows:

22 “(C) UNIVERSAL PRODUCT CODES DATA-
23 BASE.—The Secretary shall implement a national
24 Universal Product Code Database for use by all
25 State agencies in carrying out the program and shall



1 make available from appropriated funds such sums
2 as may be required for hosting, hardware, and soft-
3 ware configuration, and support.”.

4 **SEC. 410. INFANT FORMULA FRAUD PREVENTION.**

5 Section 17(h) of the Child Nutrition Act of 1966 (42
6 U.S.C. 1786(h)) is further amended by adding at the end
7 the following:

8 “(13) APPROVED PROVIDERS OF INFANT FOR-
9 MULA.—

10 “(A) IN GENERAL.—The State agency shall
11 maintain a list of infant formula manufacturers,
12 wholesalers, distributors, and retailers approved to
13 provide infant formula to vendors.

14 “(B) LIST.—The list required under paragraph
15 (A) shall include food manufacturers, wholesalers,
16 distributors, and retailers licensed in the State in ac-
17 cordance with State law and regulations to dis-
18 tribute infant formula and food manufacturers reg-
19 istered with the U.S. Food and Drug Administration
20 that provide infant formula.

21 “(C) PURCHASE REQUIREMENT.—Vendors au-
22 thorized to participate in the program under this
23 section shall purchase infant formula from the list
24 required under paragraph (A).”.



1 **SEC. 411. STATE ALLIANCES.**

2 Section 17 of the Child Nutrition Act of 1966 (42
3 U.S.C. 1786) is further amended—

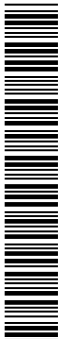
4 (1) in subsection (b) by adding at the end the
5 following:

6 “(22) ‘State alliance’ means 2 or more State
7 agencies that join together for the purpose of pro-
8 curing infant formula by soliciting competitive
9 bids.”; and

10 (2) in subsection (h)(8)(A) by adding at the
11 end the following:

12 “(vi) SIZE OF STATE ALLIANCES.—No
13 State alliance may form among States
14 whose infant participation exceeds 200,000
15 based on program participation as of Octo-
16 ber 2003, except that—

17 “(I) an alliance among States
18 with a combined 200,000 infant par-
19 ticipants as of October 2003 may con-
20 tinue, and may expand to include
21 more than 200,000 infants, but may
22 not expand to include any additional
23 State agencies that were not included
24 in the alliance as of October 1, 2003,
25 other than as provided in subclause
26 (II); and



1 “(II) any State agency serving
2 fewer than 5,000 infant participants
3 as of October 2003, or any Indian
4 Tribal Organization, may request to
5 join any State alliance.”.

6 **SEC. 412. LIMITS ON EXPENDITURES.**

7 Section 17(i)(3)(A)(ii)(I) of the Child Nutrition Act
8 of 1966 (42 U.S.C. 1786(i)(3)(A)(ii)(I)) is amended by
9 striking “1 percent” and inserting “3 percent”.

10 **SEC. 413. MIGRANT AND COMMUNITY HEALTH CENTERS**
11 **INITIATIVE.**

12 Section 17(j) of the Child Nutrition Act of 1966 (42
13 U.S.C. 1786(j)) is amended by striking paragraph (4) and
14 redesignating paragraph (5) as paragraph (4).

15 **SEC. 414. DEMONSTRATION PROJECTS.**

16 (a) CHILD NUTRITION ACT OF 1966.—Section 17 of
17 the Child Nutrition Act of 1966 (42 U.S.C. 1786) is
18 amended by striking subsection (r).

19 (b) NATIONAL SCHOOL LUNCH ACT.—Section 12 of
20 the Richard B. Russell National School Lunch Act (42
21 U.S.C. 1760) is amended by striking subsection (p).

22 **SEC. 415. AUTHORIZATION OF APPROPRIATIONS.**

23 (a) REAUTHORIZATION OF PROGRAM.—Section 17(g)
24 of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g))
25 is amended by striking “(g)(1) There are authorized” and



1 all that follows through “through 2003.” in paragraph (1)
2 and inserting the following:

3 “(g) AUTHORIZATION OF APPROPRIATIONS.—

4 “(1) IN GENERAL.—There is authorized to be
5 appropriated to carry out this section such sums as
6 are necessary for each of fiscal years 2004 through
7 2008.”.

8 (b) NUTRITION SERVICES AND ADMINISTRATION
9 FUNDS.—Section 17(h) of the Child Nutrition Act of
10 1966 (42 U.S.C. 1786(h)) is amended—

11 (1) in paragraph (2)(A), by striking “1995
12 through 2003” and inserting “2004 through 2008”;
13 and

14 (2) in paragraph (10)(A), by striking “1995
15 through 2003” and inserting “2004 through 2008”.

16 (c) FARMERS’ MARKET NUTRITION PROGRAM.—Sec-
17 tion 17(m)(9)(A)(i) of the Child Nutrition Act of 1966
18 (42 U.S.C. 1786(m)(9)) is amended to read as follows:

19 “(i) AUTHORIZATION OF APPROPRIA-
20 TIONS.—There is authorized to be appro-
21 priated to carry out this subsection such
22 sums as are necessary for each of fiscal
23 years 2004 through 2008.”.



1 **TITLE V—REAUTHORIZATION,**
2 **MISCELLANEOUS PROVI-**
3 **SIONS, AND EFFECTIVE DATE.**

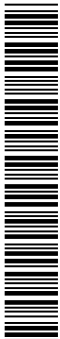
4 **SEC. 501. TRAINING, TECHNICAL, AND OTHER ASSISTANCE.**

5 Section 21(a)(1) of the Richard B. Russell National
6 School Lunch Act (42 U.S.C. 1769b–1(a)(1)) is amended
7 to read as follows:

8 “(1) subject to the availability of and from
9 amounts appropriated pursuant to subsection (e)(1),
10 shall provide—

11 “(A) training and technical assistance to
12 improve the skills of individuals employed in
13 food service programs carried out under this
14 Act, section 4 of the Child Nutrition Act of
15 1966 (42 U.S.C. 1773), and, as appropriate,
16 other federally assisted feeding programs;

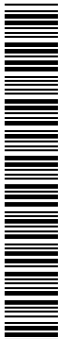
17 “(B) training and technical assistance to
18 States, State agencies, schools, and school food
19 authorities in the procurement of goods and
20 services for programs under this Act and the
21 Child Nutrition Act of 1966 (42 U.S.C. 1771 et
22 seq.), including training and technical assist-
23 ance to ensure compliance with section 12(n) of
24 this Act (42 U.S.C. 1760(n));



1 “(C) assistance, on a competitive basis, to
2 State agencies for the purpose of aiding schools
3 and school food authorities with at least 50 per-
4 cent of enrolled children certified to receive free
5 or reduced price meals, and, if there are any re-
6 maining funds, other schools and school food
7 authorities in meeting the cost of acquiring or
8 upgrading technology and information manage-
9 ment systems for use in food service programs
10 carried out under this Act and section 4 of the
11 Child Nutrition Act of 1966 (42 U.S.C. 1773)
12 if the school or school food authority submits to
13 the State agency an infrastructure development
14 plan that addresses the cost savings and im-
15 provements in program integrity and operations
16 that would result from the use of new or up-
17 graded technology in—

18 “(i) methods to ensure that there
19 shall not be any overt identification of any
20 such child by special tokens or tickets, an-
21 nounced or published list of names, or by
22 any other means;

23 “(ii) processing and verifying applica-
24 tions for free and reduced price school
25 meals;



1 “(iii) integrating menu planning, pro-
2 duction, and serving data to monitor com-
3 pliance with section 9(f)(1); and

4 “(iv) establishing compatibility with
5 statewide reporting systems;

6 “(D) assistance, on a competitive basis, to
7 State agencies with low proportions of schools
8 or students that participate in the school break-
9 fast program under section 4 of the Child Nu-
10 trition Act of 1966 (42 U.S.C. 1773) and that
11 demonstrate the greatest need, for the purpose
12 of aiding schools in meeting costs associated
13 with initiating or expanding a school breakfast
14 program under section 4 of the Child Nutrition
15 Act of 1966 (42 U.S.C. 1773), including out-
16 reach and informational activities; and”.

17 **SEC. 502. NOTICE OF IRRADIATED FOOD.**

18 Section 14 of the Richard B. Russell National School
19 Lunch Act (42 U.S.C. 1762a) is amended by adding at
20 the end the following:

21 “(h) NOTICE OF IRRADIATED FOOD.—The Secretary
22 shall develop policy and establish procedures for the pur-
23 chase and distribution of irradiated food products in Fed-
24 eral school meals programs. The policies and procedures
25 shall ensure at a minimum that—



1 “(1) irradiated food products are made avail-
2 able only at the request of States and school food
3 authorities;

4 “(2) reimbursements to schools for irradiated
5 food products are equal to reimbursements to
6 schools for non-irradiated products;

7 “(3) States and school food service authorities
8 are provided factual information on the science and
9 evidence regarding irradiation technology, including
10 notice that irradiation is not a substitute for safe
11 food handling techniques and any such other infor-
12 mation necessary to promote food safety in school
13 meal programs;

14 “(4) States and school food service authorities
15 are provided model procedures for providing factual
16 information on the science and evidence regarding
17 irradiation technology and any such other informa-
18 tion necessary to promote food safety in school
19 meals to school food service authorities, parents, and
20 students regarding irradiation technology;

21 “(5) irradiated food products distributed to the
22 Federal school meals program are labeled with a
23 symbol or other printed notice indicating that the
24 product was treated with irradiation and is promi-



1 nently displayed in a clear and understandable for-
2 mat on the container;

3 “(6) irradiated products are not commingled
4 with non-irradiated products in containers; and

5 “(7) encourages schools that offer irradiated
6 foods to offer alternatives to irradiated food prod-
7 ucts as part of the meal plan used by schools.”.

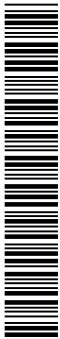
8 **SEC. 503. SENSE OF CONGRESS.**

9 Section 12 of the Richard B. Russell National School
10 Lunch Act (42 U.S.C. 1760) is further amended by adding
11 at the end the following:

12 “(p) SENSE OF CONGRESS.—It is the sense of Con-
13 gress that Federal resources provided under this Act and
14 the Child Nutrition Act of 1966 dedicated to child nutri-
15 tion should support the most effective programs within the
16 Federal agency that is most capable of assisting children
17 in nutritional need. Congress encourages the elimination
18 of initiatives that are duplicative of other Federal efforts,
19 particularly those that are duplicative of programs con-
20 ducted under this Act and the Child Nutrition Act of
21 1966.”.

22 **SEC. 504. REAUTHORIZATION OF PROGRAMS.**

23 (a) STATE ADMINISTRATIVE EXPENSES.—Section
24 7(i) of the Child Nutrition Act of 1966 (42 U.S.C.



1 1776(g)) (as amended by this Act) is amended by striking
2 “2003” and inserting “2008”.

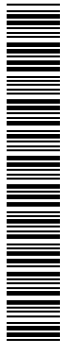
3 (b) COMMODITY DISTRIBUTION PROGRAM.—

4 (1) Section 14(a) of the Richard B. Russell Na-
5 tional School Lunch Act (42 U.S.C. 1762a(a)) is
6 amended by striking “March 31, 2004” and insert-
7 ing “September 30, 2008”.

8 (2) Section 15(e) of the Commodity Distribu-
9 tion Reform Act and WIC Amendments of 1987 (7
10 U.S.C. 612c note; Public Law 100–237) is amended
11 by striking “April 1, 2004” and inserting “October
12 1, 2008”.

13 (c) PURCHASES OF LOCALLY PRODUCED FOODS.—
14 Section 9(j)(2)(A) of the Richard B. Russell National
15 School Lunch Act (42 U.S.C. 758(j)(2)(A)) is amended
16 by striking “2007” and inserting “2008”.

17 (d) TRAINING, TECHNICAL ASSISTANCE, AND FOOD
18 SERVICE MANAGEMENT INSTITUTE.—Section 21(g)(1) of
19 the Richard B. Russell National School Lunch Act (42
20 U.S.C. 1769b-1(e)(1)) (as amended by this Act) is further
21 amended by striking “for each of fiscal years 1992
22 through 2003” and inserting “for fiscal year 2004, and
23 such sums as may be necessary for fiscal years 2005
24 through 2008”.



1 (e) COMPLIANCE AND ACCOUNTABILITY.—Section
2 22(d) of the Richard B. Russell National School Lunch
3 Act (42 U.S.C. 1769c(d)) is amended by striking “2003”
4 and inserting “2008”.

5 **SEC. 505. EFFECTIVE DATES.**

6 The amendments made by sections 101, 104, 105(a),
7 202, 409, 415, and 504 shall take effect on the date of
8 enactment of this Act. The amendments made by sections
9 201 and 208(c) shall take effect on July 1, 2004. All other
10 amendments made by this Act shall take effect October
11 1, 2004.

